Commissioner Lori F. Kaplan

Text as prepared 23rd Annual Indiana Economic Development Course

for: Indiana Economic Development Academy

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(Text does not include verbatim comments)

- Thank you . . . it's nice to be with you again.
- IDEM seen as obstacle; simply not true.
- Our goal at IDEM is to balance economic prosperity with environmental protection
- Debunk "adversarial" myth: create new myth
- History of U.S.EPA and IDEM and roles in protecting Indiana's environment.
 - EPA created in 1970 by President Nixon; a decade after Rachel Carson's book *Silent Spring* was published and about a year after the Cuyahoga River caught fire
 - Primacy over federal laws such as CWA, SDWA, CCA, Superfund
- IDEM established 1986; out of Indiana State Department of Health
 - Need EPA kept delegating more to the state
 - o IDEM is a large agency almost 1000 employees Indianapolis and regional locations
 - Structure: program areas Air, Land, Water and OPPTA
 - Air, Land and Water are mostly regulatory programs with delegated federal authority
 - o Air @160
 - Monitors for six primary air pollutants (carbon monoxide, ozone, particulate matter, nitrogen dioxide, lead and sulfur dioxide)
 - Plans for air pollution control; ozone and NOx Rule reduce by 100,000 tons by 2007
 - Permits facilities and monitors their compliance
 - o Land @300
 - Issues permits to facilities that manage and dispose of solid and hazardous waste

- Conducts compliance inspections of solid and hazardous waste facilities
- Oversees the clean up of contaminated areas, such as Superfund, leaking underground storage tanks and spills
- Emergency Response
- o Water @210 CWA 30 years Year of Clean Water
 - Permits dischargers and drinking water suppliers
 - Monitors both ground water and surface water (non-point and point-source) for pollution
 - Assesses drinking water quality and protects drinking water sources
- Finally, OPPTA will briefly mention now. As economic developers, OPPTA can be especially helpful to you.
 - Voluntary and Confidential assistance
 - Financial and technical assistance to communities to promote recycling programs, management of household hazardous waste and management of yard waste
- **Permit Process:** As economic developers, you will likely deal with IDEM in the environmental permit process.
 - Permits contain environmental regulatory responsibilities
 - New business projects or expansions require permits to build and operate.
 - The permit process can be a complicated and lengthy one
 - *Permit Guide* created to provide assistance
 - Written in plain-English; guide to help navigate the permit process
 - Identifies pertinent permits related to your project
 - Answers many of your questions related to the permit process
 - Gives you contacts people to call within IDEM with your questions and
 - Provides you links to other regulatory agencies, such as the U.S. EPA, DNR and the Army Corps of Engineers

Caveat for business developers: Check early and often on permit requirements

• More tips:

- Get to know the IDEM staff that will be working with you through the permitting process,
- Meet with this staff to ascertain permit requirements AHEAD OF TIME
- Stay in touch communicate while your permit is being processed.
- Find the *Permit Guide* on the IDEM Web site: www.IN.gov/idem/ or the agency does have hardcopies of the guide.
- IDEM has not issued a late permit in three years!
 - We know time is money, so we endeavor to do our part so as not to slow down the permitting process.

PERMIT FEES: No increases since 1994, keeping up with inflation, projected vs actual income, do not want to see disruption in services.

- Development Opportunity: Brownfields
- o Brownfields: development opportunity with environmental challenges.
- Brownfields = Abandoned or under-utilized industrial or commercial property on which perceived or real environmental contamination stymies potential reuse.
- o Cost of assessment for cleaning up contamination can be a barrier
 - Since1997, IDFA has issued low-interest loans and grants to cities, towns and counties to assess and clean up brownfields in their jurisdiction.
- Complementing IDFA's financial aid is IDEM's Brownfields Program, which provides help in many different forms.
 - Works with local governments to identify environmental issues they may encounter in a brownfields redevelopment project.
 - Performs preliminary environmental assessments, which are free to local units of government.
 - And IDEM and IDFA work together on the Interagency Brownfields Task Force.
 - Comprised of the DNR, INDOT, ISDH and the federal agencies of HUD and Federal Highway Administration, the task force shares and marshals resources available for brownfield redevelopment.

NEWSFLASH: \$1M available for both private and public entities for low interest loans. First time available to private entities. IE: drum removal, soil excavation, capping. 2.5% for 1-9 years, 3% for 10-20 years.

- Possible impediment: liability for assuming the responsibility for clean-ups of past environmental contamination.
- Relief/assurances available: Covenant Not to Sue and Comfort Letters
 - Covenant Not to Sue issued through IDEM's Voluntary Remediation Program.

 Any owner who wishes to clean up property that has been contaminated with petroleum or hazardous substances is eligible to participate.

CAVEAT: the sight can not be considered an imminent and/or substantial threat to human health or the environmental.

- VRP is completely voluntary an applicant can withdraw from the program at any time.
- Public participation is an essential part of the program
- Upon completion of the program, IDEM issues the property owner a Certificate of Completion and the governor's office issues a Covenant Not to Sue.
- These documents provide assurance that the remediated areas will not become the subject of future IDEM enforcement action.
- Comfort letters are for those properties that are not entered in the VRP program because of cost or low-contaminant level.
 - Comfort letters are not legal documents; but they provide a legal opinion as to whether the environmental conditions at a property would be a barrier for parties interested in redevelopment.
 - In particular, the comfort letter states that IDEM will not hold the party involved in a brownfield redevelopment liable unless it contributes to or exacerbates the existing contamination.
- Back to OPPTA, which is an ideal starting point for economic developers.
 - o Technical assistance provided to new and existing businesses.
 - o A strong partnership between IDEM and industry is crucial in reducing the amount of pollution that is created through the course of business.
 - o The Good News: preventing pollution does not have to cost money.

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- Pollution prevention can save businesses money,
- Allows for increases in productivity through more efficient processes and
- Decreases regulatory burden.
- OPPTA is great branch of our agency to help you learn about outreach programs and technical assistance.
- Another great point: OPPTA compliance assistance, **IS CONFIDENTIAL**.
 - The Compliance and Technical Assistance Program (CTAP) is Indiana's small business assistance program. CTAP provides confidential assistance to Indiana businesses on environmental issues.

- CTAP was created to assist regulated entities in achieving compliance.
 Also, to promote cooperation between IDEM and regulated entities.
- o In order to effectively provide the type of assistance required by the regulated community *strict confidentiality* is maintained.
- Outreach efforts: educational workshops, confidential site visits and phone assistance, recognition programs, compliance assistance manuals and fact sheets.
- Recognition programs for businesses that go above and beyond the regulations
 - Vehicle Maintenance Shops:
 - Proper storage of batteries,
 - Recycling certain materials and
 - Waste management.
 - Drycleaners, under this program:
 - We look at how drycleaners use chemicals in their cleaning processes,
 - Drycleaners use perchlorthethylene, or perc, which is regulated by federal and state programs and
 - Indiana Drycleaning and Laundry Association endorses this program.
 - o Metal Finishers:
 - The newest 5-Star initiative
 - The program is closely linked to the U.S. EPA's National Metal Finishing Strategic Goals Program and its National Performance Track Program.
 - Essentially, this program is designed to keep potentially hazardous waste metals out of landfills, out of sludges in WWTP, and out of our environment
- Lastly, I want to spend a few moments talking about the Governor's Awards
 - Two previous awards are being consolidated Governor's Awards for Excellence in Pollution Prevention and Governor's Awards for Excellence in Recycling – into a single award called Governor's Awards for Environmental Excellence.
 - Partners in this award: Commerce, DNR and DOA.
 - With this award, IDEM seeks to recognize businesses, governmental units, schools and other organizations that act proactively, make decisions and engage in activities that enable them to reduce their environmental impacts.
 - The categories include:
 - Energy/Renewable Resources,
 - Greening of Government,
 - Land Use,
 - Outreach and Education,

- Pollution Prevention/Source Reduction and
- Recycling/Reuse.
- Awards will be presented annually at the Governor's Conference on the Environment: 9/27, IGCS
 - o If you're interested in submitting an application for this year's Governor's Awards of Environmental Excellence, don't wait.
 - Deadline: April 19
 - Applications are on our Web site at: www.IN.gov/idem/oppta/govawards.
- OPPTA is also an integral part of the design and implementation of the ISO 14001 Program for Indiana facilities.
 - o ISO 14001 stands for International Organization of Standardization.
 - o It's a relatively new international standard that specifies one way of developing an environmental management system.
- OPPTA administers a grant program that works within Indiana to assess the environmental benefits of ISO 14001, the results of which have shown benefits to the environment and business.
 - Several well-known companies in Indiana Ford, Honda, and Chrysler have implement ISO programs and have required their suppliers to become ISO 14001 certified.
 - o As of last count, there were 13 ISO certified companies in Indiana.
- I've covered a lot of information during my few minutes here at the podium.
- If I can leave you with a couple of thoughts, it would be these:
 - o IDEM's purpose is to help business to do business in Indiana, but to do business in an environmentally responsible manner.
 - We at IDEM understand that economic development is crucial to the future of our state and its residents.
 - Business and industry create the jobs from which Hoosiers derive a living for their families and themselves.
 - Economic growth and environmental protection are not exclusive or separate from each other.
 - Economic development and environmental protection can and must co-exist.
 - And believe it or not, they can and do thrive together.
- Just remember, at IDEM we are here to help you.